

# A study on the impact of infomercials on consumer learning with special emphasis on tele-shopping products.

Bindu K. Nambiar

*Teleshopping or infomercials have become a major communicating medium through which companies are carrying out their promotional activities. It gives a distinctive image to the products and services in the mind of customers whom they are catering to. Some of the factors that influence customers towards watching infomercials, purchasing and consuming teleshopping products are identified. This study shows that infomercials need to be focused more on youngsters. Enhancing the after sales service, endorsing of the products by celebrities to attract the attention of the customers and reducing the frequency of the commercials being shown to avoid wearing out of it, are some of the important factors that have impacted the customers most as far as infomercials are concerned. Implementation of such activities will encourage consumers to gain the purchase and consumption knowledge which will eventually impact future consumer behavior.*

Advertisements are a form of visual communication that typically attempt to persuade potential customers to purchase or to consume more of a particular brand of product or service. Many advertisements are designed to generate increased consumption of those products and services through the creation and reinforcement of brand image and brand loyalty. Organizations are spending large sums of money on advertising and selling even concepts that do not come under product or service, such as political parties, interest groups, religious organizations and military recruitment. Non profit organizations are not

typically advertising clients and may also rely on free modes of persuasion such as public service announcements. While advertising can be seen as necessary for economic growth, it is not without social

costs. Unsolicited commercial electronic mails and other forms of spam have become so prevalent that it has become a major nuisance to users of these services, as well as being a financial burden on internet service providers. Advertising is increasingly invading public spaces such as schools, which some critics argue, is a form of child exploitation.

The television commercial is generally considered the most effective mass –marketing advertising format as is reflected by the high prices television networks charge for commercial airtime during popular television events.

Infomercials, on the contrary, are television commercials that run as long as a typical television program (roughly 30 seconds). Infomercials are also paid programming or teleshopping in countries like Europe and are normally

shown outside of peak hours, such as late at night or early in the morning. The word 'infomercial' is a portmanteau which is formed by the combination of the words 'information' and 'commercial'. As in any other form of advertising, the content is a commercial message designed to represent the viewpoints and to serve the interest of the sponsor. Infomercials are often made to closely resemble actual television programming, usually talk shows with minimal acknowledgement that the program is actually an advertisement. Advertising, generally speaking, is the promotion of goods, services, companies and ideas by an identified sponsor. Infomercials are designed to solicit a direct response which is specific and quantifiable and are, therefore, a form of direct response marketing (not direct marketing). The advertisement response is delivered directly to television viewers by infomercial advertisers through the television advertisements. In normal commercials advertisers do not solicit a direct response from viewers, but instead, brand their product in the market place amongst potential buyers. A quantitative property is one that exists in a range of magnitudes and can therefore be measured. Direct marketing, on one hand, is a discipline within marketing that involves the planned recording, analysis and tracking of individual customers (business to business or business to consumer) responses and transactions for the purpose of developing and prolonging mutually profitable customer relationships. Infomercial advertisers, on the other hand, make use of flashy catchphrases (such as 'set it and forget it'), repeat basic ideas and/or employ scientist like characters or celebrities as guests or hosts in their advertisements. Famous infomercial personalities include: Cher, George Foreman (with the foreman grill), Daisy Fuentes, Jack Lalanne, Chuck Norris, Ron Popeil, and Tony Robbins. The book *As Seen on TV* (Quirk Books) by Lou Harry, Sam Stall and Julia Spalding highlights the history of such memorable products as the Flow bee, the Chia Pet and Ginsu Knives. (Flow bee is a vacuum powered device made for cutting hair invented by San Diego carpenter Rick Hunter and Chia Pets are a brand of collectible animal figurines manufactured originally by the San Francisco based company Joseph Enterprises Inc.) But all said and done because of the sometimes sensational nature of the advertisements' form, consumer advocates recommend careful investigation of the claims made within any infomercial advertisement and investigation of the company sponsoring the subject product of the infomercial before purchasing the featured product or

products.

Much literature is available on the issues of various portrayals in advertisements, buying behavior and other issues. But there is very little literature available on the impact of infomercials. Though several researchers have highlighted the impact of advertisements, they are not specifically based on the teleshopping advertisements.

The process by which individuals acquire purchase and consumption knowledge and the experience that they apply to future related behavior is what we term as consumer learning. Much of this learning is incidental. Some of it is even intentional. Basic elements that contribute to an understanding of learning are: Motivation, Cues, Response and Reinforcement and there are two theories on how we individuals learn. They are the behavioral theory and cognitive theory. Though both the theories contribute to the understanding of consumer behavior let us discuss both the theories individually. Behavioral theories view learning as observable responses to stimuli, whereas cognitive theory postulates that learning is a function of mental processing.

Behavioral theories can be further classified into the following divisions:

1. Classical conditioning: This includes repetition of information, stimulus generalization and stimulus discrimination.
2. Instrumental conditioning: The theorists believe that learning occurs through 'trial and error' process in which the positive outcomes in the form of results or desired outcomes lead to repeat behavior like repeat purchase or repeat positive word of mouth. Again, both positive and negative reinforcement can be used to encourage the desired behavior and even the timing of the repetitions influences how long the learnt material is retained. Learning, they say, usually persists longer with a distributed reinforcement schedule, while mass repetitions produce more initial learning.
3. Observational conditions: It is otherwise called vicarious learning.

Cognitive learning theory holds that the kind of learning characteristic of humans is problem solving. Cognitive theorists are concerned with how information is processed by the human mind: how it is stored, retained

and retrieved. Involvement theory proposes that people engage in limited information processing in situations of low relevance to them and people engage in extensive information processing in situation of high relevance.

Television is a low relevance medium for learning and print media and interactive media encourage more cognitive information processing.

The measures of consumer learning include several factors as well as the relation between them. They include recall and recognition tests, cognitive responses to advertisement and attitudinal and behavioral measures of brand loyalty. The challenge while conducting such a study is whether to define brand loyalty in terms of consumer's behavior or the consumer's attitude towards the brand. Brand equity refers to the inherent value a brand name has in the marketplace. Brand loyalty consists of both attitudes and actual behavior toward a brand and both must be measured. For marketers, it is important to understand how consumers learn so that they can take the necessary steps to communicate to them about the brand and develop brand loyalty. But for all this to effectively happen as the marketer desires advertising plays a vital role. Statistics verify that the expense on advertisements is so high that this 'legalized form of lying' helps one sell an idea more than the product. For example, if we want to look glamorous, we buy a bar of 'Lux' soap or when we are thirsty, we drink 'Sprite' although these products do not necessarily serve its proclaimed purpose. Advertising creates a phenomenon called 'free recall'. 'Thanda' is synonymous to Coca Cola and Xerox to photocopier. Advertising promises that one will surely look like Amitabh Bachchan with a Reid and Taylor suit when one knows that one looks nothing like him. Only if one uses Raymond suiting, one becomes a 'complete man', otherwise one may have some doubts. Such is the power of advertising to create doubts about one's own identity.

### Research Methodology

#### Objective:

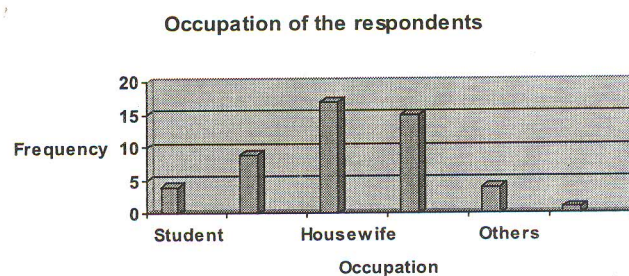
The primary aim of the research is to study the impact of the teleshopping advertisements or infomercials on consumer learning. The secondary objectives are to analyze the factors that influence the customer towards teleshopping products and to find out the impact of the time duration of these infomercials on consumer behavior.

The study is conducted in the city of Cochin with a

sample size of 50 respondents. The sampling technique is simple random sampling and the respondents were the customers of the retail shops which were selected for the survey. The data collection instruments were questionnaire, direct interview and observational technique. After collecting the data, it was tabulated and analysis was done using certain statistical techniques like cross tabulation and frequency analysis. Analysis was carried out using SPSS software and the results were presented on the basis of above stated method.

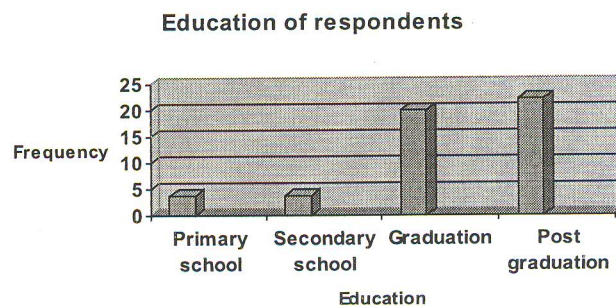
**Limitation of the study:** The study was concentrated only on a selected retail shop and the sample selected does not represent all consumer categories.

### Data analysis and interpretation:



(Chart 1)

The above bar chart 1 shows that the number on different respondents engaged in teleshopping. Out of the 50 respondents 17 were housewives and 15 were retired persons. Housewives were the people who were engaged in teleshopping the most and the least were business people.

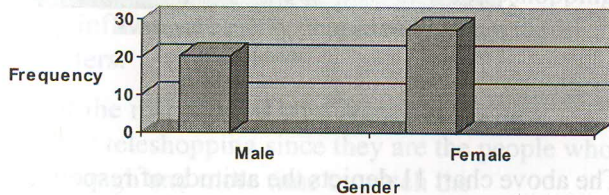


(Chart 2)

The above bar chart 2 depicts the educated background of customers who prefers teleshopping. For the survey we met respondents who had completed schooling, graduation and post graduation. Respondents who completed post graduation preferred teleshopping

largely as compared with the graduates and also those who have just completed their schooling. Out of 50 respondents 22 were post graduates and 20 graduates and 4 each who have completed schooling.

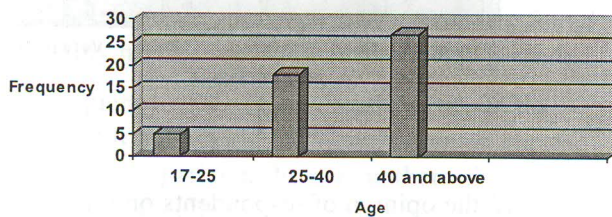
**Gender classification**



(Chart 3)

The above chart 3 shows the number of males and females participated in the survey. Out of 50 respondents 34 were male respondents and 16 female respondents.

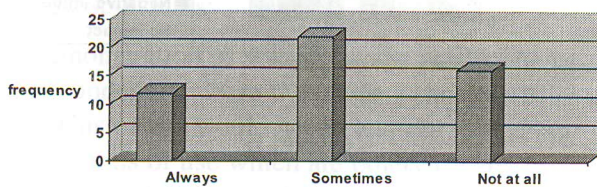
**Classification**



(Chart 4)

The above chart 4 depicts the age of the respondents. Most of the respondents were of the age group 40 years and above. 18 respondents are of the age group between 25-40 years and 5 were between 17 and 25 years.

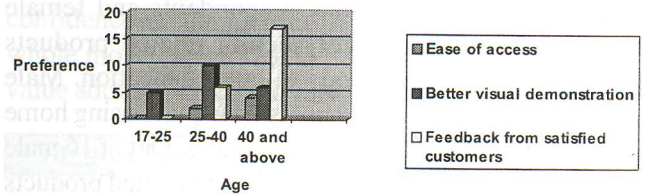
**Brand loyalty**



(Chart 5)

The above chart 5 shows the number of respondents who are loyal to one particular brand. Out of the total of 50 respondents only 12 are loyal to a brand. 16 of them are not loyal to one brand. 22 of the respondents preferred one brand at times.

**Reasons for attraction**



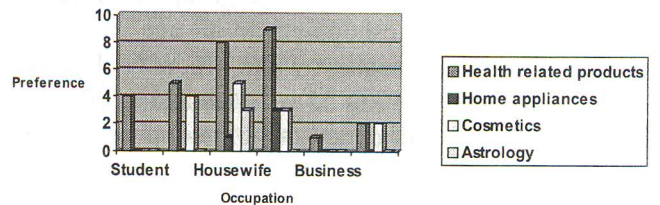
(Chart 6)

During the survey we found several factors that influence respondents to teleshopping. Following are some of them:

- ❖ Ease of access
- ❖ Better visual demonstration
- ❖ Feedback from satisfied customers.

Most of the respondents were satisfied with the teleshopping because of the positive feedback from satisfied customers, especially in the age category of 40 years and above. In the age group 25 years and above respondents were satisfied mainly because of the better visual demonstration of the products and this was the same with the case of age group 17-25 years.

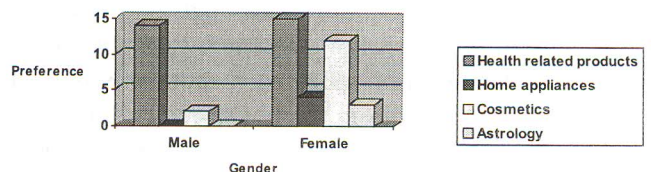
**Product Preference**



(Chart 7)

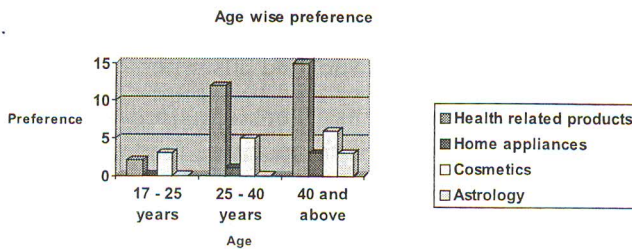
The chart shows that the product preference of the respondents among different occupations is towards health related products. Retired people largely engaged in purchasing health related products too. Astrology related products were least preferred irrespective of the occupation. In the entire category we found that health related products were preferred equally by all and next they preferred the cosmetic products.

**Genderwise preference**



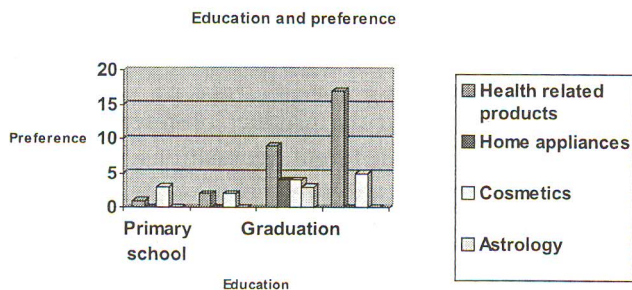
(Chart 8)

The above chart 8 shows the cross tabulation of gender and their preference. Male respondents and female respondents prefer largely health related products through teleshopping mode of communication. Male respondents are not at all interested in purchasing home appliances and the astrological services. Out of 16 male respondents 14 of them selected health related products as their preference. Among female respondents 15 out of the 34 respondents selected health related products and 12 of them preferred cosmetics and least number of 4 and 3 respondents preferred astrology and home appliances.



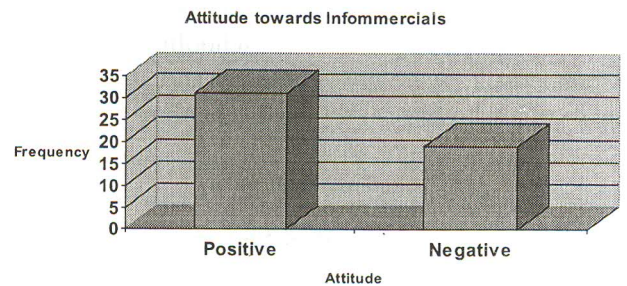
(Chart 9)

The above chart 9 clearly shows the preference of respondents among different age groups to different products through teleshopping. In all age categories preference goes to health related products. The age group categories of 17 to 25 years and 25 to 40 years almost have nil preference to home appliances and astrological service.



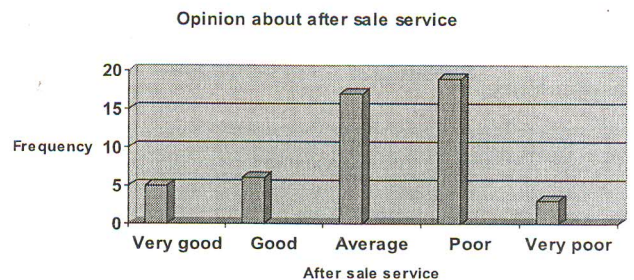
(Chart 10)

The above chart 10 shows that respondents prefer health related products to be shown through teleshopping irrespective of the level of education. Primary school and secondary school educated respondents have a minimum interest only in the health related products and cosmetics. But respondents who are graduates view all the infomercials, and their preferences are spread across all the products— even astrological services.



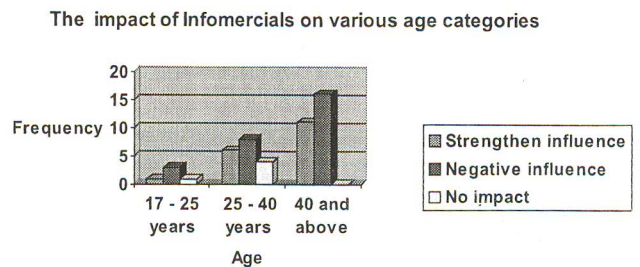
(Chart 11)

The above chart 11 depicts the attitude of respondents towards infomercials. Out of the total of 50 respondents 31 of them had a positive attitude towards teleshopping and 19 respondents had a negative attitude towards the same.



(Chart 12)

In chart 12 the opinion of respondents on after-sales service was rated on a five point scale and the measure showed that most of the respondents rated after-sale service as poor. Only 5 respondents rated the service as very good and 17 respondents rated it as average.



(Chart 13)

From chart 12 the impact of the various respondents belonging to different age categories shows that frequency of the infomercial leads to a negative influence. In all the age categories majority of respondents say that the influence would be negative if the exposure is more.

## Findings:

The following are the findings of this study:

54 % of the respondents had a positive attitude towards infomercials and they belonged to the category of 40 years and above. Thus teleshopping mostly influenced elderly people rather than the youngsters.

34% of the respondents who were housewives preferred teleshopping since they are the people who have enough and more time to watch the infomercials.

44 % of the respondents were dissatisfied with the after sale service of the products offered through teleshopping service. 58 % of the respondents preferred health related products through the infomercial services like the weight reduction products, height increase products etc.

Respondent were mainly attracted to infomercials due to the positive feedback that is received from the existing users who are satisfied and that they found credibility in the source of the information provided.

The frequency of the infomercials shown to the viewers through various modes of communication may have a negative influence on them since the respondents feel that they do not get more than 30 minutes to one hour to see the infomercials. And that the more it is shown the less credible it becomes.

The gender wise distribution shows that 64 % of female respondents are interested in health related products being shown through the infomercials and neither cosmetic products nor home appliances are preferred.

The following add-ons are also seen to be popular among respondents:

The demonstration of how to use the product helps the respondents to learn the product characteristics better. Customers would get a clear cut idea about the directions of use which are otherwise are misunderstood and wrongly practiced.

The home delivery service provided by the teleshopping products make the purchasing even more simple an activity since customers can sit at home and order over telephone and receive the products without much hassles.

The payback policy of the manufacturers is also an

added advantage as the customers are brought into confidence saying that if they are not satisfied the whole money spent would be refunded. This creates value addition to the product.

## Suggestion:

Here are a few suggestions to the manufacturers who prefer the infomercials as their mode of communicating to the customers:

Manufacturers or the marketers should try to reduce the frequency of the infomercials being shown since customers do not spend too much of time on the advertisements. On an average they spend 30 minutes to one hour and they might not see the infomercials completely, so unwanted information may be screened out and only necessary information can be selected and shown.

Manufacturers need to make their infomercials more attractive for the younger age category too. At present the infomercial caters to the needs of the elderly age category alone. In order to promote products like cosmetics more of youngsters should be attracted. Celebrity endorsements can be made use of to attract this age group of youngsters.

Again, the manufacturers and marketers should put in extra efforts in retaining existing customers, especially the satisfied customers, by beginning some loyalty programs or membership programs since this study shows that feedback of the existing customers are one of the most important credible sources of information for the new users. It is also acknowledged that it takes six times more resources to attract a new customer compared with retaining the existing ones.

More attention requires to being paid to the after-sales service provided and the keeping up of promises made to the customers like the date of shipment and the money back policy etc.

Manufacturers should also develop products which are uni-gender i.e. commonly used by male and female. This is for customers who want to share their time and money in a family set up.

## Conclusion:

As Purvis of Gallup and Robinson Inc. rightly said "Infomercial tap into one of the often overlooked principles of advertising. People like advertising not just when it is entertaining, but also when it keeps them up-to-date about products or services that they need or

would like to have. Infomercials are a good opportunity for many advertisers to demonstrate the value of their products in new and compelling ways.”

According to Gautham Chakraborty “A few significant differences emerged between direct experience and infomercial formats, suggesting that infomercials are closer to direct experiences than they are to advertisements. Of the three audio-visual conditions examined (1-minute long ad, 15-minute long infomercial, and 30-minute long infomercial), evidence indicated that the 15-minute long infomercial was most effective for attitudinal and direct-response measures. From the perspective of both persuasion and behavioral response, the popular 30-minute long infomercial format may not be optimal; the 15-minute long infomercial format appears to deserve more research scrutiny.”

A study conducted by Brett A.S. Martin, Andrew C.

Bhimy wherein a survey on 878 respondents were done and “findings indicate that infomercial advertising is more effective when employing expert comments, testimonials, product demonstrations, the use of target market models, celebrity endorsers, product comparisons, and bonus offers. Age also impacted how consumers view infomercials, as did the type of product purchased.”

Thus we can conclude this study by corroborating what has been highlighted through the following definition on infomercials: “Infomercial Marketing can be one of the most powerful marketing channels around, because it is clear that infomercials produce results. With infomercials product or service becomes differentiated and breaks free of the clutter. As a result, this dramatically increases the sales as viewers are being both educated and involved.”

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